



United States Department of Agriculture • Rural Development
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NEWS RELEASE

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USDA INVESTS \$15.5 MILLION IN BUSINESS DEVELOPMENT FOR RURAL AMERICA

Funding will Create or Save Over 2,000 Rural Jobs/ 189 Rural Business Ventures

WASHINGTON, April 21, 2004 — Agriculture Secretary Ann M. Veneman today announced that \$15.5 million will be invested in 24 organizations in 16 states and the Virgin Islands for business development and job creation. This investment further supports President Bush's goal to create jobs and improve economic opportunities in rural communities.

"The Bush Administration is working to promote economic growth in rural communities," Veneman said. "These investments will help community leaders improve rural business opportunities."

Loans are made available through the USDA Rural Development Intermediary Relending Program (IRP). The aim of business revolving loan funds is to finance business facilities and community development projects in rural areas. This is achieved through loans made to intermediaries who in turn re-lend funds locally to support businesses or community development. Loans from intermediaries to the recipients must be used to establish new businesses, expand existing businesses, create employment opportunities, save jobs or complete community development projects.

In 2003, \$39.7 million in 61 revolving loan funds supported 212 businesses and created or saved over 30,000 jobs. Since 2001, the Bush Administration has invested over \$110 million to support local revolving loan funds.

Nebraska Economic Development Corporation (NEDCO) of Lincoln, Neb. received \$450,000 in IRP funds to establish a revolving loan fund targeted to serve a 14 county area in south central Nebraska. Counties include: Adams, Clay, Fillmore, Franklin, Gage, Harlan, Jefferson, Kearney, Nuckolls, Phelps, Saline, Thayer, Webster, and York. The USDA Rural Development monies will be leveraged with \$150,000 from NEDCO, \$2,448,000 from banks, ultimate recipients, and other sources for a total loan fund of over \$3 million. Jobs created or saved through this funding are estimated at 175 fulltime equivalent employment positions.

For a complete list of selected applicants, visit
<http://www.usda.gov/Newsroom/0155.04.html>.

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Funding of selected applicants will be contingent upon meeting the conditions of the loan agreement. USDA Rural Development's mission is to deliver programs that will support increasing economic opportunity and improve the quality of life for rural residents. As a venture capital entity, Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Additional information about rural programs is available at a local USDA Rural Development office or on USDA's Web site at <http://www.rurdev.usda.gov>. In Nebraska contact Deborah Drbal for IRP information at 402-437-5558, deborah.drbal@ne.usda.gov, USDA Rural Development State Office Rm. 152 Federal Bldg 100 Centennial Mall North Lincoln, Neb. 68508.

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